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Twenty-Ninth Annual Report of
THOMPSON-LUNDMARK GOLD MINES
LIMITED



For the Year Ended June 30th, 1968



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THOMPSON-LUNDMARK GOLD MINES LIMITED

Incorporated under the Laws of Canada

CAPITAL:

Authorized: 5,000,000 Shares of No Nominal or Par Value

OFFICERS:

FREDERICK W. THOMPSON	-	-	-	-	-	-	-	<i>President</i>
ROBERT D. HOFFMAN	-	-	-	-	-	-	-	<i>Vice-President</i>
G. P. MITCHELL	-	-	-	-	-	-	-	<i>Vice-President</i>
B. A. ORR	-	-	-	-	-	-	-	<i>Secretary-Treasurer</i>

DIRECTORS:

FREDERICK W. THOMPSON	-	-	-	-	-	-	-	Toronto
ROBERT D. HOFFMAN	-	-	-	-	-	-	-	Toronto
LANFEAR B. NORRIE	-	-	-	-	-	-	-	New York
G. P. MITCHELL	-	-	-	-	-	-	-	Toronto
B. A. ORR	-	-	-	-	-	-	-	Toronto

TRANSFER AGENT AND REGISTRAR

PREMIER TRUST COMPANY
19 Richmond Street West
Toronto, Ontario

THOMPSON-LUNDMARK GOLD MINES LIMITED

Directors' Report to the Shareholders

September 16th, 1968.

TO THE SHAREHOLDERS:

Your Directors herewith submit a report of operations and Financial Statements of the Company for the fiscal year ended June 30th, 1968, together with the Auditors' Report to the Shareholders.

During the past year, although we examined many properties, none proved to be of economic importance.

Following is a report of our principal activities:

QUEBEC COBALT AND EXPLORATION LIMITED

The chief equity of your Company is its approximate 40% interest in Quebec Cobalt and Exploration Limited, an iron ore property in the Mount Wright area of Quebec, under a 99 year lease (\$100,000 minimum yearly royalty) to Normanville Mining Company, a wholly owned subsidiary of Jones & Laughlin Steel Corporation of Pittsburgh, which has taken as a 50% associate, Boulder Lake Mining Company, a subsidiary of Cleveland-Cliffs Iron Company of Cleveland. There is no obligation on Normanville Mining Company to bring the Quebec property into production.

The three major properties in the Quebec Labrador Trough, U.S. Steel's Quebec Cartier at Lac Jeannine, ninety miles south of us, Iron Ore of Canada's property fifteen miles due east of us and Pickand Mather's property at Wabush, some twenty miles east of us, are continuing to turn out approximately 20,000,000 tons of iron concentrates annually.

Recently the control of Jones & Laughlin Steel Corporation was taken over by Ling-Temco-Vought, Inc. of Texas which acquired 61.3% of Jones & Laughlin Steel Corporation stock.

No work was done on our properties during the past year.

YELLOWKNIFE, NORTHWEST TERRITORIES

No work was done on this property during the past season.

KAPKICHI NICKEL MINES LIMITED

No work was done on the copper-nickel property of Kapkichi Nickel Mines Limited in North Western Ontario.

GENERAL

Hitherto, your Company, with no immediate financial obligation, had the right to participate in any development Quebec Cobalt and Exploration Limited engineers or geologists located in the field. Your Company has now improved its net quick assets to be able to participate directly with Quebec Cobalt and Exploration Limited in a modest manner, thus stepping up the tempo of field exploration to a joint effort.

By order of the Board,

FRED W. THOMPSON,
President.

THOMPSON-LUNDMARK

(Incorporated under the laws of the Province of Ontario)

Balance Sheet

(with comparative figures for 1967)

ASSETS

	1968	1967
Current Assets		
Cash in bank	\$ 5,700	\$ 10,251
Accounts receivable	116	
	<u>5,816</u>	<u>10,251</u>
Shares in Quebec Cobalt and Exploration Limited		
1,384,000 shares at cost (quoted market value, 1968, \$2,214,400; 1967, \$2,768,000, Note 1)	285,865	285,865
Shares in Other Companies		
Quoted shares at cost (quoted market value, 1968, \$274,060; 1967, \$268,340)	172,384	172,384
Shares in other mining companies at cost or less	19,297	44,406
	<u>191,681</u>	<u>216,790</u>
Fixed Assets		
Mining claims at cost		
Thompson Lake, Yellowknife Area	38,775	38,775
Interest in claims located in Cobalt area, Ontario	2,668	2,668
Buildings and equipment at Thompson Lake at nominal value (1967 at estimated realizable value as determined by officers of the company at June 30, 1951, less proceeds of sale since that date)	1	35,318
Office equipment at cost of \$2,135, less accumulated depreciation	163	204
	<u>41,607</u>	<u>76,965</u>
Deferred Charges		
Organization expenses		8,428
Prepaid expenses	181	185
	<u>181</u>	<u>8,613</u>
	<u>\$ 525,150</u>	<u>\$ 598,484</u>

AUDITOR

To the Shareholders of
Thompson-Lundmark Gold Mines Limited.

We have examined the balance sheet of Thompson-Lundmark Gold Mines Limited of funds for the year then ended. Our examination included a general review of evidence as we considered necessary in the circumstances.

In our opinion these financial statements present fairly the financial position of Thompson-Lundmark Gold Mines Limited at the year then ended, in accordance with generally accepted accounting principles.

Toronto, Canada,
July 17, 1968.

GOLD MINES LIMITED

(Companies Act, Canada)

June 30, 1968

at June 30, 1967)

LIABILITIES

	1968	1967
Current Liabilities		
Accounts payable	\$ 350	\$ 100
Loan payable to Quebec Cobalt and Exploration Limited	10,000	10,000
	<u>10,350</u>	<u>10,100</u>
Other Liabilities		
Accrued pension liability (note 2)	36,840	24,560
	<u>36,840</u>	<u>24,560</u>

SHAREHOLDERS' EQUITY

Capital Stock		
Authorized — 5,000,000 shares of no par value		
Issued — 4,993,045 shares	1,371,019	1,371,019
Deduct Deficit	893,059	807,195
	<u>477,960</u>	<u>563,824</u>

Notes:

1. Because of the large number of shares held in Quebec Cobalt and Exploration Limited, the quoted market value does not necessarily indicate either the amount which could be realized on disposal or the value of the underlying assets of the company.
2. The company has agreed to pay pensions to an officer and an employee upon their retirement. The pension cost related to past services of the officer and the employee and not provided for at June 30, 1968 is estimated to amount to approximately \$25,000.

Approved by the Board:

G. P. MITCHELL, Director.

R. D. HOFFMAN, Director.

<u>\$ 525,150</u>	<u>\$ 598,484</u>
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REPORT

as at June 30, 1968 and the statements of income, deficit and source and application of accounting procedures and such tests of accounting records and other supporting

company as at June 30, 1968 and the results of its operations and the source and application of accounting principles applied on a basis consistent with that of the preceding year.

THORNE, GUNN, HELLIWELL & CHRISTENSON,
Chartered Accountants.

THOMPSON-LUNDMARK GOLD MINES LIMITED

Statement of Income

YEAR ENDED JUNE 30, 1968

(with comparative figures for the year ended June 30, 1967)

	1968	1967
	<u> </u>	<u> </u>
Revenue		
Dividends received (less U.S. tax withheld 1968 — \$1,064; 1967 — \$700)	\$ 9,811	\$ 11,473
	<u> </u>	<u> </u>
Expenses		
General expenses at Yellowknife property		
Insurance	435	798
Rental, transmission line right of way	139	139
General expenses	100	
	<u>674</u>	<u>937</u>
Exploration		
Travel and field expenses	8,926	7,952
Lease rentals	20	20
	<u>8,946</u>	<u>7,972</u>
Head office administrative expenses		
Directors' fees	200	400
Share issue and transfer expenses	2,077	2,078
Shareholders' reports and meetings	2,975	1,979
Legal fees	75	90
Audit and accounting fees	825	325
Bank interest and charges	50	2,480
Provision for pension costs	12,280	12,280
General expenses	90	216
Depreciation of office equipment	41	51
	<u>18,613</u>	<u>19,899</u>
Deduct office service charges to associated companies less expenses Incurred	1,412	2,304
	<u>17,201</u>	<u>17,595</u>
	<u>26,821</u>	<u>26,504</u>
Loss before the following item	17,010	15,031
Profit on shares sold		8,146
Loss for the year	<u>\$ 17,010</u>	<u>\$ 6,885</u>

THOMPSON-LUNDMARK GOLD MINES LIMITED

Statement of Deficit

YEAR ENDED JUNE 30, 1968

(with comparative figures for the year ended June 30, 1967)

	1968	1967
Deficit at beginning of year	\$ 807,195	\$ 800,310
Add		
Loss for the year	17,010	6,885
Organization expenses written off	8,428	
Write down of buildings and equipment at Thompson Lake	35,317	
Write down of shares in mining companies	25,109	
Deficit at end of year	<u>\$ 893,059</u>	<u>\$ 807,195</u>

Source and Application of Funds

YEAR ENDED JUNE 30, 1968

(with comparative figures for the year ended June 30, 1967)

	1968	1967
Source of Funds		
Proceeds from sale of shares in other companies		\$ 57,324
Decrease in prepaid expenses	\$ 4	304
	<u>4</u>	<u>57,628</u>
Application of Funds		
Loss for the year before profit on shares sold	17,010	15,031
Less provision for pension costs and depreciation not requiring current outlay	12,321	12,331
	<u>4,689</u>	<u>2,700</u>
Increase (Decrease) in working capital position	(4,685)	54,928
Working capital (Deficiency) at beginning of year	151	(54,777)
Working capital (Deficiency) at end of year	<u>\$ (4,534)</u>	<u>\$ 151</u>

Thompson-Lundmark Gold Mines Limited

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

TAKE NOTICE that the Annual Meeting of the Shareholders of Thompson-Lundmark Gold Mines Limited will be held at Suite 301, 67 Yonge Street, Toronto, Ontario, on Thursday, October 31st, 1968, at the hour of twelve o'clock noon (Toronto Time) for the following purposes:

- (a) to consider and if deemed advisable, approve the 1968 Annual Report which includes the Report of the Directors, the Financial Statements for the period ended June 30, 1968, and the Auditors' Report;
- (b) to elect directors;
- (c) to appoint auditors and to authorize the directors to fix their remuneration;
- (d) to transact all such other business as may properly come before the meeting.

DATED at Toronto, Ontario, this 10th day of September, 1968.

BY ORDER OF THE BOARD,

B. A. ORR,
Secretary.

Thompson-Lundmark Gold Mines Limited

Annual Meeting of the Shareholders

OCTOBER 31st, 1968

INFORMATION CIRCULAR

as at September 10th, 1968

Solicitation of Proxies

This information circular is furnished in connection with the solicitation by the management of Thompson-Lundmark Gold Mines Limited ("the Company") of proxies to be used at the Annual Meeting of Shareholders of the Company to be held at the time and place and for the purposes set forth in the accompanying notice of meeting. It is expected that the solicitation will be primarily by mail. Proxies may also be solicited personally by regular personnel of the Company at nominal cost. The cost of solicitation by management will be borne by the Company.

Appointment and Revocation of Proxies

The persons named in the accompanying form of proxy are officers and directors of the Company. A shareholder desiring to appoint some other person to attend and act for him and on his behalf at the meeting may do so either by inserting such other person's name in the blank space provided in the form of proxy or by completing another proper form of proxy and, in either case, delivering the completed proxy to the Company.

A shareholder who has given a proxy may revoke it either (a) by signing a proxy bearing a later date and delivering it to the Company, or (b) as to any matter on which a vote shall not already have been cast pursuant to the authority conferred by such proxy, by signing written notice of revocation and delivering it to the Company or the Chairman of the meeting.

Where a proxy is signed by a corporation, its corporate seal must be affixed.

Exercise of Discretion by Proxies

The shares represented by the proxy will, subject to Section 105 of The Securities Act 1966, Ontario, be voted and, where the person whose proxy is solicited specifies a choice with respect to any matter to be acted upon, be voted in accordance with the specification so made. In the absence of such specifications, such shares will be voted in favour of:

- (a) the approval of the 1968 Annual Report which includes the Report of the Directors, the Financial Statements for the period ended June 30, 1968, and the Auditors' Report;
- (b) the election as directors of the nominees described below;
- (c) the appointment as auditors of Thorne, Gunn, Helliwell & Christenson with authority to the directors to fix their remuneration.

The accompanying form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the notice of meeting, and with respect to other matters which may properly come before the meeting and any adjournment thereof. At the time of printing this Circular the management of the Company knows of no such amendments, variations or other matters to come before the meeting other than the matters referred to in the notice of the meeting.

Voting Shares and Principal Holder Thereof

On September 10th, 1968, the Company had outstanding 4,993,045 shares with no par value and each carrying the right to one vote per share. The directors and senior officers of the Company do not know of any person beneficially owning, directly or indirectly, shares carrying more than 10% of the voting rights attached to all issued shares of the Company. However, Falconbridge Nickel Mines Limited, 7 King Street East, Toronto 1, Ontario, owns directly 600,000 shares, being approximately 12.2%.

Shareholders of record at the time of the meeting will be entitled to attend and vote at the meeting. Shareholders are urged to see that the Transfer Agent, The Premier Trust Company, 19 Richmond Street West, Toronto, Ontario, has their current address.

Election of Directors

The Board consists of five directors to be elected annually. The persons named in the enclosed form of proxy intend to vote for the election of the nominees whose names are set forth below, all of whom are now members of the board of directors and have been since the dates indicated. The management does not contemplate that any of the nominees will be unable to serve as a director but, if that should occur for any reason prior to the meeting, the persons named in the enclosed form of proxy reserve the right to vote for another nominee in their discretion. Each director elected will hold office until the next Annual Meeting or until his successor is duly elected unless his office is earlier vacated in accordance with the by-laws.

The following table states the names of all the persons proposed to be nominated for election as directors, all other positions and offices with the Company now held by them, their principal occupations and number of shares of the Company beneficially owned directly or indirectly by each of them as of September 10th, 1968.

<u>Name</u>	<u>Principal Occupation</u>	<u>Became a Director</u>	<u>Shares Held</u>
F. W. Thompson	Mining Executive	1938	50,375
R. D. Hoffman	Mining Engineer	1952	11,242
L. B. Norrie	Mining Engineer	1938	7,244
G. P. Mitchell	Geologist	1962	1
B. A. Orr	Corporate Secretary	1962	24,765

Remuneration of Directors and Senior Officers

No remuneration other than a nominal fee on attendance at meetings was paid or is payable by the Company to the directors and senior officers of the Company as such for the fiscal year ended June 30, 1968. The aggregate of such nominal fees was \$200.00.

Appointment of Auditors

The persons named in the enclosed form of proxy intend to vote for the reappointment of Thorne, Gunn, Helliwell & Christenson, Chartered Accountants, Toronto, as auditors of the Company, to hold office until the next Annual Meeting of Shareholders. The predecessors of Thorne, Gunn, Helliwell & Christenson have been auditors of the Company for more than five years.

The first thing I noticed when I stepped out of the car was the cold. It was a sharp contrast to the warm blanket of the car's interior. I shivered slightly, my hands instinctively reaching for my pockets. The air was crisp and clear, a welcome change from the smoggy atmosphere of the city. I took a deep breath, savoring the freshness. The sun was just beginning to rise, casting a soft, golden glow over the landscape. The distant mountains were visible, their peaks shrouded in a light mist. The overall scene was peaceful and serene, a perfect start to a new day.

I walked towards the entrance of the park, my steps light and sure. The path was well-maintained, with a smooth surface that allowed me to move easily. On either side of the path, there were rows of trees, their leaves a mix of green and yellow, indicating the early stages of autumn. The ground was covered in a layer of fallen leaves, some of which crunched under my feet. The air was filled with the scent of wood and earth, a comforting aroma that reminded me of a forest cabin. I felt a sense of tranquility wash over me, all my worries and stresses melting away. This was exactly what I needed, a place where I could breathe and recharge.

As I continued my walk, I noticed a small stream flowing through the park. The water was clear and shallow, with small stones visible at the bottom. A few fish could be seen swimming in the water, their scales catching the light. The sound of the water flowing over the stones was soothing, a natural melody that filled the air. I stopped for a moment, leaning against a large tree trunk and looking down at the stream. The scene was so beautiful, it felt like a painting. I wanted to stay there forever, just soaking in the beauty of nature.

I turned back towards the car, my mind still reeling from the beauty of the park. The car was parked in a designated area, and I saw a few other people walking around. They were all dressed in casual attire, some in jackets and others in sweaters. It seemed like everyone was enjoying the day. I walked back to the car, my hands still in my pockets. I felt a sense of accomplishment, knowing that I had found a peaceful spot in the middle of a busy city. I decided to take a short drive home, my mind still filled with the memories of the park. The drive was quiet, with only the sound of the engine and the hum of the tires on the road. I felt a sense of calm, knowing that I had found a place where I could escape the chaos of the city and find peace.

When I got home, I found a message on my phone from a friend. They were asking if I had seen a certain book at the library. I checked the library's website and found the book. It was a classic novel, one that I had read many times before. I decided to borrow it, as it seemed like a good choice for a quiet evening at home. I went back to the library, my mind still on the park. The library was a quiet place, with rows of books on shelves. I found the book I was looking for and took it to the counter. The librarian smiled at me, and I thanked her. I walked out of the library, feeling a sense of satisfaction. I had found a good book to read, and I was looking forward to spending some time with it.

I sat down on the couch, the book open in my lap. The room was dimly lit, with only the light from the lamp. I took a deep breath, closing my eyes for a moment. I felt a sense of peace, knowing that I was finally alone. I started to read, my fingers turning the pages. The story was captivating, and I was soon lost in the world of the book. The time flew by, and I didn't realize how late it was. I looked up at the clock, and I was shocked to see that it was already midnight. I had been so engrossed in the book that I had lost track of time. I closed the book, feeling a sense of satisfaction. I had found a good book to read, and I was looking forward to finishing it.

I went to bed, the book still open on the nightstand. I closed my eyes, my mind still on the story. I felt a sense of calm, knowing that I had found a peaceful spot in the middle of a busy city. I decided to take a short drive home, my mind still filled with the memories of the park. The drive was quiet, with only the sound of the engine and the hum of the tires on the road. I felt a sense of calm, knowing that I had found a place where I could escape the chaos of the city and find peace.

The next morning, I woke up feeling refreshed and energized. I had a good night's sleep, and I was looking forward to a new day. I got up, brushed my teeth, and took a shower. I felt a sense of accomplishment, knowing that I had found a peaceful spot in the middle of a busy city. I decided to take a short drive home, my mind still filled with the memories of the park. The drive was quiet, with only the sound of the engine and the hum of the tires on the road. I felt a sense of calm, knowing that I had found a place where I could escape the chaos of the city and find peace.